

**Health Care Cabinet
Pharmacy Pricing Workgroup
Meeting Summary**

*Friday, October 6, 2017
10:00 AM - 11:30 AM*

Members Present: *Chair* - Josh Wojcik, Policy Director, Office of the State Comptroller; Bob Clark, Special Counsel to the Attorney General, Office of the Attorney General; Anne Foley, Under Secretary, Office of Policy and Management; Leslie Bennet, National Organization of Rare Diseases; Faina Dookh, Program Management Office State Innovation Model Program.

Members Via Video Conference: Sarah Emond, Executive Vice President and Chief Operating Officer, Institute for Clinical and Economic Review (ICER); Krista Ostaszewski and Herman Kranc, Department of Social Services for Commissioner Roderick Bremby.

Other Participants: Kelly Sinko, Office of Policy and Management; Susan Halpin, Connecticut Association of Health Plans;.

1. Welcome and Introductions

The Chair opened the meeting at 10:04 a.m. and participants introduced themselves.

A correction to the September 15th meeting minutes was requested to reflect that Bob Clark was present on the phone. With this correction, the minutes were approved.

2. Public Comment

No public comment.

3. Development and discussion of draft recommendations

The workgroup discussed the draft list of potential recommendations. Changes and other follow up are summarized in the table below.

DRAFT PROPOSALS	DISCUSSION SUMMARY
Proposals under Medicaid:	
1. Develop the capacity to engage in various types of value based contracts for supplemental rebates. (OK, MI, OR, etc.)	Follow Up: The Department of Social Services (DSS) will review the three proposals and provide feedback at a future meeting. DSS may also prepare alternative proposals for the work group's review based on their analysis of the current draft proposals.
2. Pursue a waiver from the federal government to utilize value based assessments to design a value based formulary which may or may not include exclusions. (MA)	
3. Impose a Medicaid prescription drug spending growth cap and require supplemental rebates be pursued when the cap is breached for drugs identified as have the most significant impact on rising costs. (NY)	
Proposals under the State Employee Health Plan:	
1. Make capacity and engagement in value based contracting a consideration in selecting a PBM vendor.	Change: The proposal will be amended to not include specific reference to one entity.
2. Require PBM to utilize ICER reports to build a value based formulary	
3. Explore opportunities for direct engagement with manufacturers	
4. Over the long-term determine if Medicaid's capacity and expertise in formulary development and rebate contracting could be utilized by the state plan.	
Group Purchasing:	
1. Establish an entity to purchase and distribute certain drugs for statewide consumption. This approach would be appropriate for drugs that do not fit easily into the standard insurance model (e.g. drugs for extremely rare diseases or drugs essential to public health (Narcan, etc.).	Follow Up: The Office of Policy and Management (OPM) will reach out to the CT Association of Health Plans for feedback on this proposal and share with the work group at a future meeting.
Other Items for Consideration:	
1. Require co-insurance and deductibles to be based on net price	Follow Up: The Chair will reach out to the Insurance Department to obtain feedback on this proposal. Specifically, clarification will be sought on current insurance laws on maximum co-pay, co-insurance, and deductible levels. The Chair will also reach out to the Pharmaceutical Care Management Association for feedback.
2. Require any additional rebates associated with value contracts be shared with risk holders/consumers – may require transparency reporting from PBMs to ensure risk holders and consumers are benefiting from negotiated rebates	Change: The Chair will work with ICER to narrow and clarify this proposal to include specific components of transparency reporting.
3. Require PBMs to be fiduciaries of at risk plans in order to align incentives	Follow Up: The Chair will reach out to the Insurance Department to obtain feedback on this proposal.
4. Explore using outcome based contracts to engage additional resources for medication compliance, adherence and care management	

5. Specifically charge, in statute, the new Office of Health Strategy with overseeing statewide policy associated with pharmaceuticals	<i>Change:</i> OPM will work with Vicki Veltri to clarify the scope of the charge.
NEW PROPOSAL FROM MEETING	
Allow consumers to amortize deductibles over a 12 month period.	<i>Follow Up:</i> The Chair will reach out to the Insurance Department to obtain feedback on this proposal.

4. Next Steps

The work group will conduct follow up as specified in the chart and provide further feedback on proposals at the next scheduled meeting.

5. Adjournment

The Chair adjourned the meeting at 11:30 a.m.

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